



## Legislation Text

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**File #:** 20-0791, **Version:** 1

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Recommendation to adopt resolution authorizing City Manager, or designee, to execute a contract, and any necessary amendments, with PB Loader Corporation, of Fresno, CA, for the purchase of seven 2020 CNG-fueled Freightliner 114SD dump trucks, on the same terms and conditions afforded in the Sourcewell (formerly The National Joint Powers Alliance) contract, for a total contract amount not to exceed \$1,627,300, inclusive of taxes and fees. (Citywide)

City Council approval is requested to enter into a contract with PB Loader Corporation for the purchase of seven Freightliner 114SD dump trucks, for a total contract amount not to exceed \$1,627,300, inclusive of taxes and fees. Three 3-axle dump trucks will replace vehicles in the Energy Resources Department and four 2-axle dump trucks will replace vehicles in the Energy Resources and Public Works Departments. Purchase of these vehicles was approved by the City Manager in the FY 18 and FY 20 Fleet Replacement Plans.

The current vehicles are experiencing increased downtime due to the need for replacement parts, which are increasingly difficult to find. The current vehicles have exceeded their useful life and new vehicles are necessary to ensure the continuity of operations.

The Fleet Services Bureau and the Purchasing Division in the Department of Financial Management researched procurement options for dump trucks, and found that Sourcewell had completed an open, fair, transparent, and competitive procurement process. The City reviewed the Sourcewell cooperative agreement and determined the Sourcewell contract proved to be the best option for this purchase due to their ability to provide the configuration of the dump trucks needed for the Energy Resources and Public Works Departments' field operations.

City Charter Section 1802 provides an alternative procurement method by permitting the City to purchase or otherwise obtain services, supplies, materials, equipment, and labor with other government agencies by purchasing under their contracts on a voluntary and selective basis when authorized by a Resolution of the City Council.

This matter was reviewed by Deputy City Attorney Taylor M. Anderson on July 28, 2020 and Deputy Finance Director Sandy Tsang-Palmer on July 27, 2020. Due to time constraints, no Budget Office review was able to be conducted.

### SUSTAINABILITY

These new dump trucks are compliant with the State of California and local district air quality regulations and use clean burning, renewable natural gas fuel to reduce air toxins and pollutant emissions.

City Council action to adopt a Resolution and execute a contract concurrently is requested on August 18, 2020, to ensure the contract is in place expeditiously.

The cost of the contract will not exceed \$1,627,300, inclusive of taxes and fees, and is budgeted in the Fleet Services Fund Group in the Financial Management Department. Ongoing maintenance expenses for two dump trucks, estimated at \$9,000 annually, and capital replacement charges based on an asset life of approximately 12 years, estimated at \$45,600 annually, will be charged to the General Fund Group in the Public Works Department. Ongoing maintenance expenses on five dump trucks, estimated at \$81,390, and capital replacement charges based on an asset life of 12-15 years, estimated at \$135,600 annually, will be charged to the Gas Fund Group in the Energy Resources Department. All charges will be made through the regular Fleet Services Memorandum of Understanding (MOU) monthly billing process starting when the units are delivered and in use. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

Approve recommendation.

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JOHN GROSS  
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:

THOMAS B. MODICA  
CITY MANAGER